

MONTANA FACILITY FINANCE AUTHORITY

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MONTANA ISSUES \$4.5 MILLION IN TAX-EXEMPT BONDS FOR GREAT FALLS PRE-RELEASE CENTER EXPANSION

HELENA, [January 13, 2006] – A new \$4.5 million tax-exempt bond issued by the Montana Facility Finance Authority (MFFA) will finance a major expansion of a Great Falls pre-release center.

“The Montana Facility Finance Authority makes this initiative financially feasible, and the non-profit sector and communities have stepped up to help the state control the growing needs and costs for incarceration,” Governor Brian Schweitzer said. “Solutions such as this for alternative sentencing means that all Montanans win.”

The 36,500 foot expansion by contractor Tabacco Construction Co. on a 2-1/2-acre parcel adjacent to the existing Great Falls Pre-Release Center, will increase the Center’s male resident capacity from 151 to 257, and will create at least 15 new fulltime jobs.

With the expansion of the center, the Montana Department of Corrections will increase its contract for pre-release services from 125 to 165 male offenders. The Center also provides services for both male and female offenders to federal and local law enforcement.

Pre-release centers provide a halfway house approach, offering counseling and other services to prisoners nearing the end of their incarceration in order to assist their re-entry as productive members of society. Staff additions to the 53-member Great Falls staff will include case managers, resident advisors and a food service manager.

In addition to addressing overcrowding, the Great Falls expansion will give Montana correctional authorities needed additional capacity. Mike Ferriter of the Montana Department of Corrections’ Community Corrections Division praised the Center’s pre-release programs and services as “second to none.” He described the Center as “a good and productive member of the Great Falls community. We are most appreciative.”

The Great Falls Center administrator, Paul Cory, said the expansion would not have been possible without the MFFA bond issue. “Frankly, we would have had to back away from the expansion,” he added.

The bonds were privately placed with Wells Fargo Brokerage Services LLC.

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Similar pre-release centers operate in Billings, Butte, Helena and Missoula. A 40-bed expansion of the Boyd Andrew Community Services Pre-Release Center also made possible by a state issue of tax-exempt bonds is scheduled for completion by mid-February.

Created in 1983, the MFFA is recognized as an effective and innovative agency. In 1998, for example, ***Governing*** Magazine cited MFFA's nearly \$3 million bond issue for Alternative Inc. of Billings, operator of halfway-house programs for male and female offenders, one of six "Deals of the Year."

The MFFA is the primary issuer of tax-free municipal bonds for Montana's non-profit health care organizations, continuing-care residential programs, and community service providers. About 100 organizations have benefited from the low-cost capital provided by MFFA through a variety of innovative financing options.

Although the majority of MFFA's financings have been for acute care hospitals, the agency also has provided financing for nursing homes, assisted living facilities, retirement facilities, outpatient centers, homes for persons with developmental or mental disabilities, and chemical dependency centers, and pre-release centers.